

## Finance Committee Meeting Notes MD

May 11, 2021

The Finance Committee met on Tuesday, May 11, 2021 at the High School Conference Room and virtually through a Zoom Meeting Room. In attendance were committee members Tom DiBello, *Committee Chair*, Wendy Earle, and Christina Melton (via Zoom); administrators Robert Rizzo *Acting Superintendent*, James Fink, CPA *CFO*, and Mary Davidheiser, *Controller*; Board members Linda Fazzini, Margaret Wright and community member Will Cromley. Mr. DiBello called the meeting to order at 6:31 p.m.

- Public to be heard on agenda items only: None.
- Review and acceptance of minutes for April 13, 2021: Accepted.
- Executive Reports – 2020/2021 reports through April 30, 2021 reviewed by Mr. Fink.
  - Liquidity:
    - On par with last year and as expected year to date, \$79MM.
  - Revenues:
    - State sources continue come in slower than in prior years.
    - Increase in other state sources is due to COVID grants.
    - Federal sources are also up due to the federal COVID grants.
  - Expenditures:
    - Salaries are up due to internal Spring-Ford Cyber costs.
    - Property services continue to be under budget due to not having the full Interstate cleaning staff onsite at the beginning of the fiscal year.
    - Other Services are up - transportation savings YTD (approx. \$450k) but is offset by external Charter school costs which are up over \$650k from prior year.
    - Supplies costs are up due to COVID expenditures of approximately \$500K.
    - Property expenses are up; \$925k of the increase is COVID expenditures (charges for the 7-8 grade Chromebooks received in March).
  - Assessments:
    - Gained \$4.2MM in April.
    - \$15MM remaining to goal with only one month to go. The shortfall at the end of the year, if any, will likely be made up in interim assessments through August.
  - R/E Transfer Taxes:
    - Off pace by \$265k YTD from prior year, but still on par to make/exceed budgeted amount.
    - Pacing to around \$1.9MM compared to \$1.7MM budgeted.
  - Earned Income Taxes:
    - Continues to out-perform expectations. Approximately \$400k ahead of prior year at this time.
    - Pacing to \$11.3MM-\$11.5MM this year compared to \$10.3MM budgeted.
  - Self-Funded Health Insurance:
    - April was higher than usual in claims.
    - Currently pacing at \$250k over budget.
  - Food Service:
    - Operating in the black YTD.
    - YTD meals 515k (breakfast and lunch).

- Seamless Summer Option (SSO) program has been extended through next school year (fully subsidized). Still waiting to see if there are any rule changes.
    - A la Carte sales are ½ what it should be for a month due to low population and limited menu for quick-grabbing.
    - Mr. DiBello questioned if we are expanding the ala cart, and moving forward with the breakfast carts? Mr. Fink replied yes to expanding the ala cart and going to be moving forward with the breakfast cart(s). Ms. Earle questioned if we have a cart and Mr. Fink replied we have one would like two. Each costs a couple thousand and sometimes you can get them via grant for free.
  - HS Project:
    - The project is closed and obligations are satisfied. \$963k remains in the construction fund, and Mr. Fink inquired if we could move to capital reserve where the funds originated.
    - Committee agreed for a motion on the agenda for May 24 to move remaining funds back into the capital reserve.
- Review of COVID-19 related expenditures and Grants:
  - Chromebooks have finally arrived. Not any other material changes.
- Other Committee Business:
  - Tax rebate renewal approval is needed from the board for 2021-2022. Mr. Fink questioned if any changes from last year and committee has decided to recommend an increase from 30% of the PA tax rebate to 50% with no cap necessary. Resolution to be included as an action item on May 24. Mr. Fink also confirmed to committee members that an insert will be going in with the tax bill to keep residents aware of the program offerings.
  - Including on agenda the yearly renewal required by PDE for the Aramark contract. The District is in year 3 of the 5-year agreement. The terms have not changed since the initial RFP.
  - Mr. Fink would like to include a motion for approval of the Western Center budget. Our share is \$2.3MM, which is a year over year increase of \$160. This increase is already reflected in our 2021/2022 budget.
  - Mr. Fink reviewed the Buspatrol agreement. This relationship with Buspatrol will help with citations to offenders illegally passing school buses with the use of their stop-arm camera system. The equipment installed on buses has no charge, and there is no out-of-pocket cost to the district. A monthly technology fee of \$115 per bus per month is assessed to the district and paid from the 60/40 split on ticket revenues. Mr. Fink said this is likely not a revenue stream from his analysis, but we are recommending this for more safety for our children. Committee agreed and Mr. Fink will forward the agreement to the solicitor and pending solicitor review would like to put on either the May or June agenda. Police in the area have already signed off.
  - Mr. Fink would like an agenda item for temporary assistance in the business office due to our Senior Accountant going out on leave. The cost would be \$45 per hour with an average of 10-15 hours per week. Assistance needed from June 1 through August 31. Committee agreed to put on the May agenda.
- Board Comment
  - Discussion on federal grant funding (ESSER). Mr. Rizzo explained next few weeks will have a “needs” analysis and Ms. Melton would like to see the long-term view. It was noted that RFPs will be needed for any services the district is seeking.

- Mr. DiBello would like to see an additional slide in next meeting for potential end of year projections.
- Public Comment - None
- Meeting adjourned at 7:05 pm